

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1780 - HB 1853

March 15, 2022

SUMMARY OF BILL AS AMENDED (013765, 014571): Requires, on or after January 1, 2023, employers with 35 or more employees to enroll in the E-Verify program.

Establishes that no employee has a civil cause of action for alleging wrongful or retaliatory discharge against their employer if:

- The employee is not authorized to work in the United States under federal immigration laws; and
- The employer was not aware that the employee was not authorized to work in the United States under federal immigration laws.

Furthermore, establishes that any discharge of an employee due to results produced by positive results of the E-Verify program cannot provide a cause of action for discrimination based on national origin.

Requires the Office of Employment Verification to enroll any employer in the E-Verify program, at no charge, if such employer has less than 35 full-time equivalent employees.

Requires employers to maintain an E-Verify case result for each employee that shows that the employee is authorized to work, whether on the E-Verify Quick Audit Report, the E-Verify User Audit Report, or the individual employee E-Verify case verification result. Requires the E-Verify case result to be visible showing the work authorization status.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The E-Verify program requires employers in this state to hire and maintain a legal workforce.
- Currently, only employers with 50 or more employees are required to enroll in the E-Verify program; however, businesses with less than 50 employees may currently enroll in the E-Verify program.

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- Based on information from the Department of Labor and Workforce Development, this legislation will have no significant impact on the Department. Any impact to state revenue from penalties for additional E-Verify violations will be not significant.
- It is assumed that affected businesses will enroll in the E-Verify program.
- Any impact on the number of cases in the court system is estimated to be not significant.

IMPACT TO COMMERCE OF BILL AS AMENDED:

Other Fiscal Impact – Due to multiple unknown variables, the increase in business expenditures or impact on net employment in this state cannot be quantified with reasonable certainty.

Assumption:

- This legislation will require businesses in this state with 35 to up to 50 employees, currently not required to enroll, to enroll in the E-Verify program.
- Such businesses will enroll and comply with the requirements of the E-Verify program. Any increase in business expenditures associated with enrollment and compliance is estimated to be not significant.
- It is assumed that this legislation could result in employers being required to release current employees who are not legally here within the United States.
- Affected businesses will fill positions, vacant from release of illegal hires, with legal hires; therefore, no significant change to jobs within the state.
- Due to multiple unknown variables, the amount of any expenditures cannot be reasonably quantified at this time.
- It is possible that positions made vacant as a direct result of this legislation will remain vacant and/or that increased business expenditures will be passed on to consumers; however, any such impacts cannot be reasonably quantified.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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